

PROPOSITION 56

SUBJECT TO COURT ORDERED CHANGES

**SUBJECT TO COURT
ORDERED CHANGES**

OFFICIAL TITLE AND SUMMARY
PREPARED BY THE ATTORNEY GENERAL

PROPOSITION 56

November 14, 2003

State Budget, Related Taxes, and Reserve.

Voting Requirements. Penalties.

Initiative Constitutional Amendment and Statute.

Proponents: Roberta B. Johansen and James C. Harrison

BALLOT TITLE AND SUMMARY

**STATE BUDGET, RELATED TAXES, AND RESERVE.
VOTING REQUIREMENTS. PENALTIES.
INITIATIVE CONSTITUTIONAL AMENDMENT AND STATUTE.**

- Permits Legislature to enact budget and budget-related tax and appropriation bills with 55% vote rather than 2/3 vote currently required.
- Requires that Legislature, Governor permanently lose salary, expenses for each day budget is late.
- Requires that Legislature stay in session until budget is passed.
- Requires budget summary in state ballot pamphlet and link to Internet website with legislators' voting records on budget and related taxes.
- Requires 25% of certain state revenue increases be deposited in reserve fund, which cannot be used to increase spending.

**Summary of Legislative Analyst's
Estimate of Net State and Local Government Fiscal Impact:**

- This measure would have varying state fiscal impacts from lowering the legislative vote requirement for budget-related spending and tax increases—including changes in spending and potentially significant increases in state tax revenues in some years. Fiscal impacts would depend primarily on the composition and actions of future Legislatures.

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Proposition 56
State Budget, Related Taxes, and Reserve. Voting Requirements.
Penalties.

Background

The state budget bill provides the annual funding for most state government programs. Before the budget bill is sent to the Governor for approval, it must be passed by a two-thirds vote (67 percent) of each house of the Legislature. The State Constitution requires legislative passage of the budget bill by June 15 of each year. (It does not, however, provide a deadline for the Legislature and Governor to come to final agreement on the budget bill.)

The State Constitution also requires a two-thirds vote of each house of the Legislature for the passage of bills that increase taxes. These types of bills take effect immediately. Other types of bills—including bills reducing taxes or spending—can be passed with a majority (over 50 percent) vote and take effect on January 1 of the following year.

The budget typically includes money set aside for unexpected events, such as revenue shortfalls or emergencies. These funds are placed into a reserve or "rainy day" fund. Currently, the Legislature and Governor can choose each year how much money to put into this fund.

Proposal

This measure amends both the state's Constitution and statutes to change the state budget process. Figure 1 summarizes the main provisions of the proposition.

ANALYSIS BY THE LEGISLATIVE ANALYST

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Figure 1
Provisions of Proposition 56

- ✓ **Votes on State Budget-Related Taxes and Spending**
 - Permits Legislature to enact with 55 percent vote rather than the two-thirds vote currently required.
- ✓ **Reserve Requirements**
 - Requires 25 percent of "excess" state revenue (up to 5 percent of General Fund spending) to be set aside.
 - Reserve funds could be spent only in certain circumstances.
- ✓ **Consequences of Late Budget**
 - Requires that Legislature and Governor lose salary and expenses each day the budget is late.
 - Requires the Legislature stay in session until budget is passed.
- ✓ **Other Provisions**
 - Requires budget summary in state ballot pamphlet and directions to an Internet Web site providing budget-related vote information.
 - Prohibits a legislator from punishing or threatening to punish another legislator for a budget-related vote.

Votes on State Budget-Related Taxes and Spending. This measure reduces from two-thirds to 55 percent the number of votes required to pass the budget bill and other bills—including tax increase measures—related to the budget bill. These budget-related bills would take effect immediately upon passage.

Reserve Requirements. This measure establishes minimum requirements for putting money into and taking money out of the state reserve fund. Under the measure, funds would be added to the reserve in any year in which state revenues exceeded what was needed for "current service levels." (This term refers to the amount needed to fund existing state programs, adjusted each year for population changes and inflation. Annual revenues above this amount could be considered "excess revenues.") Specifically, the measure requires the Legislature to put in the reserve at least 25 percent of any excess revenues, until the reserve reaches 5 percent of prior-year spending (currently a reserve amount of almost \$4 billion). The measure does not restrict the use of the remaining excess revenues. Reserve funds could only be spent in cases of an emergency or in years in which spending on current service levels exceeded available revenues.

Consequences of Late Budget. This measure prohibits the Legislature and the Governor from collecting their salaries and expenses when the budget is late. Lost

salaries and expenses could not be paid back later. In addition, the measure requires the Legislature to stay in session until the budget is approved.

Other Provisions. The measure also includes the following provisions:

- **Ballot Pamphlet Budget Summary.** The measure requires the State Controller to prepare a budget summary to be included in the ballot pamphlet provided to voters at every statewide election. This summary would include directions to an Internet Web site that includes voting records of legislators on budget-related bills.
- **Punishment of Legislators.** The measure prohibits a legislator from punishing or threatening to punish another legislator for a vote related to the budget.

Fiscal Effects

The measure would have the following fiscal impacts on state government.

Votes on State Budget-Related Taxes and Spending. This proposition, by reducing the number of votes needed to pass budget-related bills, would make it easier for the Legislature to agree on these measures. The extent of any impacts of this change would depend on a number of factors—such as the state's financial circumstances, the composition of the Legislature, and its future actions. For example, since fewer legislators would need to agree to a state budget, the budget's content and level of spending could change in some years from what it otherwise would have been.

Similarly, the reduced number of required votes would make it easier in some years to approve tax increases related to the budget. In such cases, the measure would result in higher tax revenues (and state spending) than otherwise would have occurred. This potential revenue impact could be significant. For instance, given the state's roughly \$70 billion budget, even a small percentage increase in taxes could result in a significant amount of additional revenues.

Reserve Requirements. Under this measure, the Legislature would be required to put revenues into the reserve in certain years. (The funds placed into the reserve would have been available for additional spending or revenue reductions.) As a result, there would be a higher reserve level in some years than otherwise would have occurred. In addition, a higher reserve level could lead to less fluctuation in state spending. For example, a higher reserve could result in lower spending in high revenue growth years and help sustain current service levels in low revenue years. The impact of the reserve requirements would depend on the level of state revenues and legislative decisions regarding current service levels.

Consequences of Late Budget. The loss of salary and expenses requirement for the Governor and Legislature would reduce costs in any year in which there is a late budget. In such cases, the measure would save the state about \$50,000 per day in salaries and expenses until approval of the budget.

Ballot Pamphlet Budget Summary. The requirement for the State Controller to produce budget-related information would result in minor costs to the state.

Other Factors. By changing the budget process, this measure could have other fiscal impacts. For example, to the extent the measure makes it easier to address budget problems, it could have some positive effect on the state's credit rating. If so, this would result in some state savings from lower interest costs.

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Argument in Support of Proposition 56

It's time for real budget reform that holds legislators accountable.

Year after year, under Democratic and Republican governors alike, we have experienced late budgets and huge deficits.

Year after year, the Legislature bickers and postures over the state budget.

Why do they get away with it? Because LEGISLATORS FACE NO CONSEQUENCES FOR LATE BUDGETS AND IRRESPONSIBLE DEFICITS:

- Despite having almost six months to pass a budget, the Legislature has missed the Constitutional deadline every year since 1986.
- California's credit rating has been lowered to near junk bond status – the lowest of any state.
- Huge deficits threaten drastic cuts in education, health care and public safety – and they also have been responsible for the state's biggest tax increases.

PROPOSITION 56 – THE BUDGET ACCOUNTABILITY ACT – MAKES LEGISLATORS RESPONSIBLE FOR THEIR BUDGET ACTIONS.

56 is real budget reform that gives voters the tools they need to hold their legislators accountable.

PROPOSITION 56 ENDS LATE BUDGETS.

56 says legislators will face real consequences when the budget is late:

- It requires the Legislature to stay in session and not go on vacation until they pass the budget.
- It says legislators will forfeit their pay and expenses for each day the budget is late. *No budget... no pay.*

PROPOSITION 56 REDUCES PARTISAN GRIDLOCK.

- 56 reduces the vote requirement on the budget and related taxes from two-thirds to 55% so small groups of partisan legislators can't hold the budget hostage and block compromise.
- 56 allows lawmakers to vote their conscience, rather than be forced to vote the party line. It eases the political parties' stranglehold on the budget process by empowering the Legislature to censure members who threaten or punish other legislators for their budget vote.

PROPOSITION 56 MAKES LEGISLATORS ACCOUNTABLE TO VOTERS.

- 56 requires future Official Voter Information Guides to contain a two-page summary of the budget including an Internet site so voters can see EVERY VOTE cast by legislators on the budget and related taxes.
- LEGISLATORS WILL FACE THE CONSEQUENCES AT ELECTION TIME if they fail to act responsibly on the budget and taxes.

PROPOSITION 56 HELPS PREVENT OVERSPENDING IN GOOD TIMES AND BUDGET DEFICITS WHEN TIMES ARE BAD.

- 56 helps avoid future deficits by creating a "rainy day fund." For the first time, it would require funds to be set aside when the economy is strong to help prevent deficits when the economy is weak.
- In good times, at least 25% of surplus revenues must be deposited in the reserve. This money can only be spent to help maintain existing services in deficit years or for emergencies such as major fires or earthquakes.
- The reserve cannot be used to increase spending.

After 17 years of late budgets, papered-over deficits and a sinking bond rating, we need to end the gridlock, create a budget reserve and give voters information to hold their legislators accountable at election time.

Proposition 56 makes legislators accountable for their actions on the budget.

VOTE YES ON PROPOSITION 56.

Helen Russ, President
California AARP

Dan Terry, President
California Professional Firefighters

Carla Niño, President
California State PTA

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VOTER PAMPHLET REBUTTAL AGAINST PROPOSITION 56

Proposition 56 will make it *easier* for the Legislature to increase our taxes. Too easy.

Proponents sugar-coated it with some attractive reforms, but watch out...

Beneath Prop. 56's bells and whistles lies a provision to eliminate the 2/3rds legislative vote needed before state politicians can increase taxes.

What would they do with their new-found power to increase taxes?

THEY'D INCREASE TAXES.

Take a look behind the scenes in Sacramento:

In just one legislative session last year, state legislators proposed 100 separate tax and fee increases -- \$65 BILLION in new burdens on families, seniors, homeowners and businesses.

If Prop. 56 had been the law, most of those tax proposals would have passed.

We need *real* budget reform to hold legislators accountable for the efficient use of tax dollars to ensure quality education, health care and public safety.

The *last* thing we need?

A proposition that *masquerades* as accountability, but is really just a BIG FAT OLD-FASHIONED BLANK CHECK for the same politicians it pretends to discipline.

If Prop. 56 passes, expect HIGHER CAR TAXES, GAS TAXES, SALES TAXES and INCOME TAXES.

And HIGHER TAXES ON HOMEOWNERS.

Here's what Jon Coupal, president of the Howard Jarvis Taxpayers Association, reports:

"Proposition 56 is a direct assault on taxpayers. It strips away Proposition 13's taxpayer protections and will lead to higher taxes on homeowners."

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So look beneath the bells and whistles to Prop. 56's *real* question:

Should we make it EASIER for them to increase our taxes?

VOTE NO on 56!

Betty Jo Toccoli

Chair

California Small Business Roundtable

Larry McCarthy

President

California Taxpayers' Association

REBUTTAL TO ARGUMENT IN FAVOR OF

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Martyn B. Hopper

California State Director

National Federation of Independent Business (NFIB)

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ARGUMENT AGAINST PROPOSITION 56

The *real* purpose of Proposition 56 is to change the State Constitution to make it *easier* for the Legislature to increase taxes.

If Prop. 56 passes, that's exactly what we'll get: **HIGHER TAXES.**

- Higher sales and income taxes.
- Higher car and gas taxes.
- Higher taxes on seniors and families.
- **Higher parcel taxes on homeowner property tax bills.**
- Higher taxes on small businesses and employers.

There's no question that we need to do *something* to hold Sacramento politicians more accountable. But Prop. 56 is NOT that *something*. It has a few good provisions, but we don't get to pick and choose. It's a package deal, a package that will make Sacramento *less*, not more accountable.

Taxpayer groups call this deceptive measure the **BLANK CHECK PROPOSITION**. With one hand, Prop. 56 pretends to hold state politicians accountable for delivering a responsible budget. But with the other hand it slips those same politicians an open-ended blank check to increase taxes, year after year.

That's *not* responsible budget reform. That's an invitation to pass an *irresponsible* budget on time by simply increasing any and all taxes.

Here's how the Blank Check Proposition would work:

Currently, the State Constitution requires a 2/3rds vote in the Legislature before they can increase our state taxes. That 2/3rds protection is one of the few safeguards we have against unjustified tax hikes. It's a protection California voters put into the State Constitution with Prop. 13. A 2/3rds

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legislative vote requires bipartisan consensus – checks and balances. It's a vote threshold that says:
We understand that sometimes taxes must be increased, but BEFORE you do that: Make sure you've got bipartisan consensus. Make sure you've cut government waste. Make sure that tax hike is absolutely necessary.

Buried in Prop. 56 is a new constitutional provision [Section 12(f)(1)] that would throw that 2/3rds legislative vote protection right out the window. With it goes any need for bipartisan consensus or strong justification before Sacramento politicians can increase our taxes.

If Prop. 56 passes, the Legislature will have a much freer hand to:

- *Increase car taxes* (which were already increased 300% last year).
- *Increase gas taxes* (without even using the revenue for transportation).
- *Add new and higher parcel taxes to homeowner property tax bills* (they've already approved increases on some homeowners).
- *Increase income taxes and sales taxes* (which are already among the highest in the nation).
- *Add tax surcharges onto everything from diapers to beer* (just like they proposed in the last legislative session).
- *Slap more taxes on small businesses and employers* (which will only drive more businesses out of business and out of state, and more people onto the unemployment line).

PROP. 56 POSES ONE FUNDAMENTAL QUESTION TO VOTERS:

Do we want to make it EASIER for the politicians in Sacramento to INCREASE OUR TAXES?

Do we?

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ARGUMENT AGAINST PROPOSITION 56

Join us in sending a strong message to Sacramento. Tell them NO MORE BLANK CHECKS. Tell them to CUT THE WASTE and start spending our hard-earned tax dollars more wisely.

VOTE NO on 56.

Larry McCarthy

President

California Taxpayers' Association

Allan Zaremborg

President

California Chamber of Commerce

David Herman

Executive Director

The Seniors Coalition

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REBUTTAL TO THE ARGUMENT AGAINST PROPOSITION 56

56 IS A PACKAGE OF REFORMS THAT WORK TOGETHER TO END PARTISAN GRIDLOCK AND LATE BUDGETS.

Year after year legislators paper over deficits after months of partisan bickering and delay, causing:

- Huge deficits forcing drastic cuts to education, health care and public safety -- AND big tax increases.
- Late budgets and big deficits undermining our state's credit rating.

56 contains essential reforms that end partisan gridlock, impose real consequences for late budgets, require a reserve to help prevent future deficits, and give voters the tools to hold legislators accountable.

THE 2/3rds VOTE IS NO "SAFEGUARD."

- Instead of bipartisan consensus, the 2/3rds requirement has encouraged partisan bickering and gridlock.
- Arkansas and Rhode Island are the only other states requiring at least a 2/3rds vote to pass a budget.
- The 55% vote still requires a LARGER majority to pass our budget than 47 other states and the federal government.

56 IS NO BLANK CHECK.

- 56 does NOT change ANY of Proposition 13's property tax protections.
- 56 requires the Official Voter Guide to give you information on state spending and your legislators' votes on the budget and taxes.
- If legislators vote for unfair taxes or irresponsible budgets, 56 GIVES YOU THE INFORMATION YOU NEED TO VOTE THEM OUT OF OFFICE.

ACCOUNTABILITY TO VOTERS IS OUR BEST PROTECTION AGAINST BAD BUDGETS.

Major funding for the opposition comes from oil, tobacco and alcohol companies. They want the status quo. We can't afford it.

YES ON 56.

Lenny Goldberg, Executive Director
California Tax Reform Association

Jacqueline Jacobberger, President
League of Women Voters of California

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This initiative measure is submitted to the people in accordance with the provisions of Section 8 of Article II of the California Constitution.

This initiative measure amends the California Constitution and the ~~Education Code~~; therefore, existing provisions proposed to be deleted are printed in ~~strikeout~~ type and new provisions proposed to be added are printed in *italic type* to indicate that they are new.

PROPOSED LAW

adds
sections
to the
Elections
Code and
the Government

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P Section 1, Title ①

This measure shall be known and may be cited as the "Budget Accountability Act."

P Section 2, Findings and Declaration of Purpose ②

The People of the State of California find and declare that:

The Budget Accountability Act is designed to end the budget delays that have created a fiscal crisis in our state. The purpose of this measure is to enact a comprehensive reform of the state budget process designed to hold the Governor and Legislature more accountable to the People of California by producing more responsible and timely state budgets.

(a) After the Governor introduces the budget, the State Legislature and Governor have almost six months to complete the budget on time. However, the State Legislature has not passed a budget on time since 1986.

(b) The State Legislature and the Governor face no consequences when they fail to meet the budget deadline imposed by the State Constitution. They can continue to collect their salary and expense allowances. They are not required to continue to work on the budget. In fact, they can even go on vacation.

(c) In order to hold elected officials accountable, voters are entitled to know how their tax dollars are spent each year and how their state representatives vote on the budget and taxes. Currently voters do not have easy access to this information.

(d) The two-thirds vote requirement to pass a state budget and related taxes has contributed to persistent late budgets and large deficits. Political party leaders refuse to compromise to solve the state's budget problem and have used the two-thirds vote requirement to hold up the budget.

(e) California, Rhode Island, and Arkansas are the only states in the country that require a vote of two-thirds or more of the legislature to pass a budget.

(f) After researching California's two-thirds vote requirement, the non-partisan California Citizens Budget Commission concluded that "the current supermajority requirement fails to achieve its oft-stated goal of keeping budgetary spending in check, while at the same time it promotes gridlock, pork barrel legislation and lack of accountability."

(g) When the economy weakens, the state budget goes into deficit. These deficits are increased by the gridlock caused by the two-thirds vote requirement. These deficits increase year after year until they equal many billions of dollars. Faced with these huge deficits, the Governor and Legislature make massive cuts to education, health care, and transportation and raise billions of dollars in taxes. These deep cuts and large tax increases would not have been necessary if responsible budget solutions had been possible instead of year after year of gridlock.

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(h) Party leaders threaten to punish state legislators if they refuse to vote the party line on the budget. Members of the Legislature should be accountable to their constituents, not to party leaders. Our elected representatives must be free to vote their consciences.

(i) California has faced large budget deficits and surpluses over the past ¹⁰~~ten~~ years. Elected officials from both major parties have increased spending and cut taxes in good economic times, leaving the State with inadequate reserves when the economy turns bad. Saving money in a rainy day fund in good times provides a prudent reserve during economic downturns and states of emergency, which is essential for responsible budget management.

P Section 3. Purpose and Intent

(1) ~~(1)~~ In order to make elected officials more responsible for the consequences of their actions, to keep voters more informed of the budget decisions being made by their legislators, to limit partisan extremism and end gridlock in the budget process, and to require a rainy day reserve fund to balance the budget in hard times and protect California taxpayers, the People of the State of California do hereby enact the Budget Accountability Act. This measure is intended to accomplish its purpose by amending the California Constitution and the statutes of California to:

(a) Prohibit the Legislature and Governor from collecting their salary and expenses for every day they miss the budget deadline set by the Constitution and to force the Legislature to stay in session and consider the budget until it is passed.

(b) Help voters hold their state representatives more accountable by providing voters with a two-page summary of how the State is spending the funds it receives. The summary will be published in the state ballot pamphlet mailed to voters before every statewide election. The summary will include a website address where voters can find the voting record of their representatives on all budget and related legislation, including tax bills, that are subject to the 55 percent vote requirement.

(c) Change the votes necessary to pass the budget and related tax and other legislation from two-thirds to 55 percent to improve accountability to voters, reduce budget gridlock, and encourage legislators to work together to solve California's budget problems regardless of their party affiliation.

(d) Allow legislators to vote their consciences on the budget instead of being pressured into voting the party line. A legislator who is threatened by another legislator because of a vote on the budget will be able to file a complaint with the Ethics Committees of the Senate or Assembly, which will investigate the complaint and make public its report and recommendation for appropriate action to the full Senate or the Assembly.

(e) Ensure funds are set aside in a rainy day reserve fund in good economic times when revenues exceed what is needed for existing programs so that when revenues fall short in times of economic downturn the reserve fund can be used to reduce the need for drastic cuts in programs and increases in taxes. The reserve fund could also be used for a state of emergency declared by the Governor. The reserve fund may only be used for these purposes and may not be used to increase spending.

(2) (2) The Budget Accountability Act will not change Proposition 13's property tax limitations in any way. The Budget Accountability Act changes the legislative vote requirement for taxes to 55 percent only for the purpose of increasing taxes as part of the process of adopting the budget.

P Section 4, Article IV, section 12 of the California Constitution is hereby amended to read as follows:

Sec. 12. (a) Within the first 10 days of each calendar year, the Governor shall submit to the Legislature, with an explanatory message, a budget for the ensuing fiscal year containing itemized statements for recommended state expenditures and estimated state revenues. If recommended expenditures exceed estimated revenues, the Governor shall recommend the sources from which the additional revenues should be provided.

(b) The Governor and the Governor-elect may require a state agency, officer or employee to furnish whatever information is deemed necessary to prepare the budget.

(c) The budget shall be accompanied by a budget bill itemizing recommended expenditures. The bill shall be introduced immediately in each house by the persons chairing the committees that consider appropriations. The Legislature shall pass the budget bill by midnight on June 15 of each year. Until the budget bill has been enacted, the Legislature shall not send to the Governor for consideration any bill appropriating funds for expenditure during the fiscal year for which the budget bill is to be enacted, except emergency bills recommended by the Governor, or appropriations for the salaries and expenses of the Legislature. Roman

(d) If the budget bill has not been passed and sent to the Governor by June 15, the Legislature shall remain in session and may not consider or pass any other bills until the budget and bills related to the budget are adopted, except for emergency bills recommended by the Governor. Neither the Governor nor any member of the Legislature shall be entitled to any salary, per diem, or other expense allowance for any day after the June 15 deadline until a budget bill has been passed and sent to the Governor. No forfeited salary, per diem, or expense allowance shall be paid retroactively. In the event the Governor vetoes the budget bill, the prohibitions of this subdivision shall remain in effect until a budget is passed and signed by the Governor.

(d)(e) No bill except the budget bill may contain more than one item of appropriation, and that for one certain, expressed purpose. Appropriations from the General Fund of the State, except appropriations in the budget bill and in other bills related to the budget bill and appropriations for the public schools, are void unless passed in each house by rollcall vote entered in the journal, two thirds of the membership concurring. ital

s/o - (e) (f)(1) Notwithstanding Section 3 of Article XIII A or any other provision of law or of this Constitution, the budget bill and tax and other bills related to the budget bill may be passed in each house by rollcall vote entered in the journal, fifty-five percent of the membership concurring, to take effect immediately upon being signed by the Governor or upon a date specified in the legislation. Nothing in this subdivision shall affect the vote requirement for appropriations for the public schools contained in subdivision (e) of this Section and in subdivision (b) of Section 8 of this Article. 55 #

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(2) Tax and other bills related to the budget bill shall consist only of bills identified as related to the budget in the budget bill passed by the Legislature.

(3) Tax bills related to the budget bill shall include bills increasing taxes, whether by increased rates or changes in methods of computation, identified in the budget bill as related to the budget, except that no new ad valorem taxes on real property, or sales or transaction taxes on the sales of real property may be imposed.

(g) No officer, committee, or member of either house of the Legislature shall punish or threaten to punish any other member for his or her vote on the budget bill or tax and other bills related to the budget. Any member may file a complaint regarding violations of this section with the appropriate ethics committee of the house in which the alleged violation occurred. The ethics committee shall investigate the complaint and make recommendations to the full house regarding appropriate action, including censure, to be taken on the complaint. The ethics committee's findings shall be made public.

(h) For any fiscal year for which General Fund revenues exceed the amount needed to fund current General Fund service levels, the Legislature shall deposit at least 25 percent of the excess revenues into the Prudent State Reserve Fund established pursuant to Section 5.5 of Article XIII B, unless the Reserve Fund equals 5 percent or more of General Fund expenditures for the fiscal year immediately preceding that fiscal year. Appropriations from the fund may be made only in years in which revenues are not sufficient to fund current General Fund service levels or in response to a state of emergency declared by the Governor. Appropriations from the fund may only be used for these purposes and may not be used to increase expenditures. Notwithstanding Section 5 of Article XIII B, contributions to the fund shall not constitute appropriations subject to limitation until they are appropriated for expenditure from the fund.

(i) The Legislature may control the submission, approval, and enforcement of budgets and the filing of claims for all state agencies.

P Section 5. Section 9082.8 is hereby added to the Elections Code to read as follows:

P 9082.8. The State Controller, in consultation with the Department of Finance and the Legislative Analyst's Office, shall prepare a budget summary explaining how state funds are spent, not to exceed two printed pages, which shall be published in the state ballot pamphlet sent to voters in every statewide election. The budget summary shall include directions to a state website, prepared and maintained by the Joint Rules Committee of the Legislature, that includes voting records of legislators on the budget and tax and other bills related to the budget, *Members of the Legislature*

P Section 6. Section 9518 is hereby added to the Government Code to read as follows:

P 9518. For the purposes of Article IV, section 12 subdivision (h) of the California Constitution, "current General Fund service levels" shall mean levels of service as of June 30 of the prior fiscal year necessary to meet the constitutional, statutory, and contractual obligations of the state adjusted for population and cost of living as provided in Article XIII B / Section 8 of the Constitution as of the effective date of this measure. *ital*

California

P Section 7: Severability — Roman

If any of the provisions of this measure or the applicability of any provision of this measure to any person or circumstances shall be found to be unconstitutional or otherwise invalid, such finding shall not affect the remaining provision or applications of this measure to other persons or circumstances, and to that extent the provisions of this measure are deemed to be severable.

P Section 8: Amendment — Roman

By rollcall vote entered in the journal of each house, ⁵⁵~~fifty-five~~ percent of the membership concurring the Legislature may amend Section 9082.8 of the Elections Code and Section 9518 of the Government Code to further the purposes of this ~~Act~~ ^{measure}.

P Section 9: Conflicting Initiatives — Roman

In the event that this measure and another measure or measures relating to the legislative votes required to pass the state budget, increase taxes, or enact or increase fees shall appear on the same statewide election ballot, the provisions of the other measure or measures shall be deemed to be in conflict with this measure. In the event that this measure receives a greater number of affirmative votes, the provisions of this measure shall prevail in their entirety, and the other measure shall be null and void.

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